



Market Announcement

21 February 2025

Fonterra provides FY25 earnings and milk collections update

Fonterra Co-operative Group Ltd today provided an update on its forecast earnings for FY25, which it anticipates will be in the upper half of the previously announced forecast earnings range of 40-60 cents per share.

Preliminary results show the Co-op has had a strong first half and, alongside the strength in earnings, Fonterra is currently forecasting a 2024/25 Farmgate Milk Price midpoint of \$10.00 per kgMS. In addition, the Co-op has revised its forecast milk collections up to 1,510 million kgMS, following favourable weather conditions.

“As we prepare our FY25 interim results for release on 20 March, we can see we’ve maintained the momentum from Q1. Further to this, good pasture growth across most of New Zealand to date has meant our forecast collections for the season are up,” says CEO Miles Hurrell.

“The Co-op’s earnings momentum is driven by strong demand across our sales channels. Subject to audit, our first half accounts indicate our full year forecast earnings for FY25 will be in the upper half of the 40-60 cents per share range.

“Fonterra’s earnings and the forecast Farmgate Milk Price have both benefitted from solid demand for our high value Ingredients products, and our sales book is well contracted for the season.

“Considering these factors, we expect to be in a position to pay a strong interim dividend. Our revised dividend policy released in September 2024 is 60-80% of full year earnings, with up to 50% of full year dividend to be paid at interims,” says Mr Hurrell.

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